

**Proposed Substitute
Bill No. 1064**

LCO No. 6214

**AN ACT CONCERNING A WAIVER OF INTEREST ON PROPERTY TAX
PAYMENTS FOR CERTAIN REAL AND PERSONAL PROPERTY AND
THE INTEREST RATE FOR CERTAIN TAXES AND ASSESSMENTS.**

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. (*Effective July 1, 2021, and applicable to any determination of*
2 *interest on delinquent taxes on or after July 1, 2021*) Notwithstanding any
3 provision of chapter 204 of the general statutes, any municipality may,
4 upon approval by its legislative body, or by the board of selectmen in
5 any town in which the legislative body is a town meeting, waive the
6 interest on any property taxes that may be due for the 2020 tax year with
7 respect to real or personal property located in such municipality that is
8 held by any person, firm or corporation and used for business,
9 commercial, financial, manufacturing, mercantile or trading purposes.

10 Sec. 2. Section 12-146 of the general statutes is repealed and the
11 following is substituted in lieu thereof (*Effective July 1, 2021, and*
12 *applicable to any determination of interest on delinquent taxes on or after July*
13 *1, 2021*):

14 Unless the context otherwise requires, wherever used in this section,
15 "tax" includes each property tax and each installment and part thereof
16 due to a municipality as it may have been increased by interest, fees and
17 charges. If any tax due in a single installment or if any installment of any
18 tax due in two or more installments is not paid in full (1) on or before

19 the first day of the month next succeeding the month in which it became
20 due and payable, or if not due and payable on the first day of the month,
21 (2) on or before the same date of the next succeeding month
22 corresponding to that of the month on which it became due and payable,
23 the whole or such part of such installment as is unpaid shall thereupon
24 be delinquent and shall be subject to interest from the due date of such
25 delinquent installment. Except for unpaid real estate taxes the collection
26 of which was, or is, deferred under the provisions of section 12-174, and
27 any predecessor and successor thereto, which unpaid real estate taxes
28 continue to be subject to the provisions of such deferred collection
29 statutes, the delinquent portion of the principal of any tax shall be
30 subject to interest at the rate of [eighteen] twelve per cent per annum
31 from the time when it became due and payable until the same is paid,
32 subject to a minimum interest charge of two dollars per installment
33 which any municipality, by vote of its legislative body, may elect not to
34 impose, and provided, in any computation of such interest, under any
35 provision of this section, each fractional part of a month in which any
36 portion of the principal of such tax remains unpaid shall be considered
37 to be equivalent to a whole month. Each addition of interest shall
38 become, and shall be collectible as, a part of such tax. Interest shall
39 accrue at said rate until payment of such taxes due notwithstanding the
40 entry of any judgment in favor of the municipality against the taxpayer
41 or the property of the taxpayer. The collector shall apply each partial
42 payment to the wiping out of such interest before making any
43 application thereof to the reduction of such principal. If any tax, at the
44 time of assessment or because of a subsequent division, represents two
45 or more items of property, the collector may receive payment in full of
46 such part of the principal and interest of such tax as represents one or
47 more of such items, even though interest in full on the entire amount of
48 the principal of such tax has not been received up to the date of such
49 payment; in which event, interest on the remaining portion of the
50 principal of any such tax shall be computed, as the case may be, from
51 the due date of such tax if no other payment after delinquency has been
52 made or from the last date of payment of interest in full on the whole
53 amount or unpaid balance of the principal of such delinquent tax if

54 previous payment of interest has been made. Each collector shall keep a
55 separate account of such interest and the time when the same has been
56 received and shall pay over the same to the treasurer of the municipality
57 of the collector as a part of such tax. No tax or installment thereof shall
58 be construed to be delinquent under the provisions of this section if (A)
59 such tax or installment was paid through a municipal electronic
60 payment service within the time allowed by statute for payment of such
61 tax or installment, or (B) the envelope containing the amount due as
62 such tax or installment, as received by the tax collector of the
63 municipality to which such tax is payable, bears a postmark showing a
64 date within the time allowed by statute for the payment of such tax or
65 installment. Any municipality may, by vote of its legislative body,
66 require that any delinquent property taxes shall be paid only in cash or
67 by certified check or money order. Any municipality adopting such
68 requirement may provide that such requirement shall only be applicable
69 to delinquency exceeding a certain period in duration as determined by
70 such municipality. Any municipality shall waive all or a portion of the
71 interest due and payable under this section on a delinquent tax with
72 respect to a taxpayer who has received compensation under chapter 968
73 as a crime victim.

74 Sec. 3. Subsection (e) of section 7-148ff of the general statutes is
75 repealed and the following is substituted in lieu thereof (*Effective July 1,*
76 *2021, and applicable to any determination of interest on delinquent assessments*
77 *on or after July 1, 2021*):

78 (e) Any [unpaid] special assessment imposed by a municipality
79 pursuant to the provisions of an ordinance adopted under subsection (c)
80 of this section, not paid within thirty days after the due date, shall be
81 delinquent and shall be subject to interest from such due date at the
82 interest rate and in the manner provided by the general statutes for
83 delinquent property taxes. Any such unpaid special assessment and any
84 interest due thereon shall constitute a lien upon the real estate against
85 which the [fine] special assessment was imposed from the date of such
86 [fine] special assessment. Each such lien may be continued, recorded
87 and released in the manner provided by the general statutes for

88 continuing, recording and releasing property tax liens. Each such lien
89 may be enforced in the same manner as property tax liens.

90 Sec. 4. Subsection (a) of section 7-328 of the general statutes is
91 repealed and the following is substituted in lieu thereof (*Effective July 1,*
92 *2021, and applicable to any determination of interest on delinquent taxes on or*
93 *after July 1, 2021*):

94 (a) The territorial limits of the district shall constitute a separate
95 taxing district, and the assessor or assessors of the town shall separate
96 the property within the district from the other property in the town and
97 shall annually furnish the clerk of the district with a copy of the grand
98 list of all property in the district after it has been completed by the board
99 of assessment appeals of the town. If the legislative body of the town
100 elects, pursuant to section 12-62c, to defer all or any part of the amount
101 of the increase in the assessed value of real property in the year a
102 revaluation becomes effective and in any succeeding year in which such
103 deferment is allowed, the grand list furnished to the clerk of the district
104 for each such year shall reflect assessments based upon such deferment.
105 When the district meeting has fixed the tax rate, the clerk shall prepare
106 a rate bill, apportioning to each owner of property his proportionate
107 share of the taxes, which rate bill, when prepared, shall be delivered to
108 the treasurer; and the district and the treasurer thereof shall have the
109 same powers as towns and collectors of taxes to collect and enforce
110 payment of such taxes, including with regard to delinquent taxes and
111 any interest thereon, and such taxes when laid shall be a lien upon the
112 property in the same manner as town taxes, and such liens may be
113 continued by certificates recorded in the land record office of the town,
114 and foreclosed in the same manner as liens for town taxes or enforced
115 in accordance with any provision of the general statutes for the
116 collection of property taxes. The assessor or board of assessment appeals
117 shall promptly forward to the clerk of the district any certificate of
118 correction or notice of any other lawful change to the grand list of the
119 district. The district clerk shall, within ten days of receipt of any such
120 certificate or notice, forward a copy thereof to the treasurer, and the
121 assessment of the property for which such certificate or notice was

122 issued and the rate bill related thereto shall be corrected accordingly. If
123 the district constructs any drain, sewer, sidewalk, curb or gutter, such
124 proportion of the cost thereof as such district determines may be
125 assessed by the board of directors, in the manner prescribed by such
126 district, upon the property specially benefited by such drain, sewer,
127 sidewalk, curb or gutter, and the balance of such costs shall be paid from
128 the general funds of the district. In the construction of any flood or
129 erosion control system, the cost to such district may be assessed and
130 shall be payable in accordance with sections 25-87 to 25-93, inclusive.
131 The cost for the maintenance of water quality in a lake shall be assessed
132 on the land in a district and payment shall be apportioned equally
133 among the owners of parcels of property. Subject to the provisions of
134 the general statutes, the district may issue bonds and the board of
135 directors may pledge the credit of the district for any money borrowed
136 for the construction of any public works or the acquisition of
137 recreational facilities authorized by sections 7-324 to 7-329, inclusive,
138 and such board shall keep a record of all notes, bonds and certificates of
139 indebtedness issued, disposed of or pledged by the district. All moneys
140 received by the directors on behalf of the district shall be paid to the
141 treasurer. No contract or obligation which involves an expenditure in
142 the amount of (1) ten thousand dollars or more in districts where the
143 grand list is less than or equal to twenty million dollars, or (2) twenty
144 thousand dollars or more in districts where the grand list is greater than
145 twenty million dollars, in any one year shall be made by the board of
146 directors, unless the same is specially authorized by a vote of the district,
147 nor shall the directors borrow money without like authority. The clerk
148 of the district shall give written notice to the treasurer of the town in
149 which the district is located of any final decision of the board of directors
150 to borrow money, not later than thirty days after the date of such
151 decision. The district may adopt ordinances, with penalties to secure
152 their enforcement, for the purpose of regulating the carrying out of the
153 provisions of sections 7-324 to 7-329, inclusive, and defining the duties
154 and compensation of its officers and the manner in which their duties
155 shall be carried out.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021, and applicable to any determination of interest on delinquent taxes on or after July 1, 2021</i>	New section
Sec. 2	<i>July 1, 2021, and applicable to any determination of interest on delinquent taxes on or after July 1, 2021</i>	12-146
Sec. 3	<i>July 1, 2021, and applicable to any determination of interest on delinquent assessments on or after July 1, 2021</i>	7-148ff(e)
Sec. 4	<i>July 1, 2021, and applicable to any determination of interest on delinquent taxes on or after July 1, 2021</i>	7-328(a)